

Report of the
Missouri Business - Education
Roundtable

July 30, 2003

Table of Contents

Transmittal letter.....	
Members.....	
Executive Summary.....	
Report.....	
Executive Order 02-04.....	
Presenters.....	
Meetings.....	

Business Education Roundtable Executive Summary

***In an agrarian society, individuals need land to be successful;
in an industrial society individuals needed capital to be successful;
and in today's knowledge-based technology society, individuals need a good
education to be successful.¹***

The education of America's youth is at the center of political and public policy dialogue throughout the nation; this prominence reflects an understanding of the relationship between the quality of educational achievements experienced by today's youth and the social and economic progress of tomorrow's adults. The Business Education Roundtable was created by Executive Order 02-04, signed by Governor Bob Holden on March 18, 2002, in recognition of the significance of education for Missouri's continued economic development. This Order acknowledged the importance of the preparation of all students for the opportunities that will be presented by the global economy as well as the significance of a well-educated workforce for the competitiveness and creativity of existing business and for future economic stability and growth in Missouri.

The Roundtable took a broad view of the Governor's charge because of its recognition that the emerging global economy significantly impacts Missouri as manufacturing jobs are shifted out of the country, and will continue to impact the State as international competitors develop their workforce and improve workforce capabilities. The point of departure for the Roundtable, then, was the conclusion that the preparation for emerging workforce demands does not begin at kindergarten and does not end with graduation from high school but, rather, begins in very early childhood and extends throughout life. Consequently, the Roundtable chose to focus on the preparation of the children and young adults of today to successfully compete in a global economy. That focus led to considerations of early childhood development and pre-kindergarten education, methods of improving schools through continuing improvement of teacher education, enhanced community support for schools, strengthening business-school partnerships, mechanisms to support and improve children and schools in economically stressed areas, and the importance of an affordable and high quality postsecondary education.

The scope and importance of the issues considered by the Business Education Roundtable can be illustrated by the following:

- ❖ The brain undergoes its most rapid development in early childhood; quality preschool programs can reduce the negative effects of an at-risk childhood.

¹Keith Bailey, Chairman, National Alliance for Business and Chairman and CEO of Williams, presentation to the Roundtable, March 22, 2002.

- ❖ Between April 1998 and November 2002, the number of manufacturing jobs in Missouri decreased by 14.8 percent.
- ❖ Two-thirds of all jobs created in Missouri by 2006 will require training beyond high school.
- ❖ In 2001, 47 percent of Missouri's large employers reported that skilled workers were scarce.
- ❖ Over half of the rapidly expanding occupational fields require an Associate of Arts degree or higher, but according to the 2000 census, 18.7 percent of Missourians lack a high school degree.
- ❖ While the proportion of Missouri adults having completed at least a college degree increased from 17.8 percent in 1990 to 21.6 percent in 2000, Missouri lags behind the national average of 24.4 percent of the adult population in 2000.
- ❖ Nationally, a high school dropout will earn 20 percent less than a high school graduate over a lifetime, those with an Associate's degree will earn 60 percent more than a high school dropout, while those with a Bachelor's degree will earn 110 percent more.

These data clearly indicate that Missouri must invest in the education of children from birth, it must improve the elementary and secondary educational environment, and it must ensure that college is affordable and of excellent quality, if the state is to maintain a high standard of living for all Missourians. The work and recommendations of the Business Education Roundtable are directed toward improving opportunities for Missourians and improving Missouri's economy over the coming decades.

The Business Education Roundtable formed three subcommittees to consider these issues. The subcommittees met separately, in addition to meetings of the full Roundtable, and were charged with developing a list of initial recommendations that could be debated and adopted by the full Roundtable. Subcommittee topics included: Teachers as Professionals, Improving the School Environment, and Funding Education. The report's recommendations are organized around these three major issues. Below is a synopsis of the recommendations of each subcommittee.²

Teachers As Professionals

Teacher recruitment and retention is a challenge and recent data on the teaching profession indicates declining trends in the number of individuals entering the field. These challenges can be met by working in cooperation with organizations representing educators, businesses, and supportive community groups.

² These broad recommendations are presented as objectives in the body of the report and more detailed recommendations are presented within the discussion of each objective.

Recommendations

- Develop a more proactive teacher recruitment strategy and strengthen teacher retention policies
- Improve teacher preparedness
- Reinforce the perception of teaching as a profession

Improving the School Environment

One of the most important ways to positively influence the school environment is to ensure that children arrive at school prepared to learn. That preparation requires top quality pre-kindergarten programs and parental involvement in the education of children. Businesses in each of the state's 524 school districts have the ability to provide support for schools in their community and these recommendations should encourage a stronger partnership.

Recommendations

- Provide preschool children with age appropriate development activities to enable them to enter kindergarten prepared to learn
- Engage parents and communities in educational outcomes of children
- Develop business and community education partnerships
- Continuous improvement in school performance

Funding Issues in Education

The Roundtable observed that Missourians, like all Americans, sharply divide responsibility for providing early education between the child's parents and society. Parents are almost completely responsible for any education that children receive before kindergarten but society is responsible for the cost of the child's primary and secondary education. This duality contributes to a system where some children arrive at kindergarten unprepared for school and contributes to inequities in achievement with their peers thereafter.

Missouri must make every effort to ensure an adequate and equitable funding system for children and young adults that will provide an efficient and effective method for youths to acquire at each level the knowledge and skills required to succeed at the next level. In order to obtain and maintain an adequate funding stream for public education, Missouri's educational system must provide for maximum accountability through measures of effectiveness, allowing for continuous feedback to employees, students, schools, parents and policy-makers.

Recommendation

- Improve funding for Missouri education at all levels

Missourians are moving beyond the K-12 or even the K-16 concept of education. Education in the 21st century will be a life-long activity, one that begins well before kindergarten, continuing through early childhood programs, and extends beyond the college

years in the form of specialized education and training programs. The state's success in developing its economy in the coming years depends to a very significant degree upon the quality of the education that Missouri provides to its children. Achieving a high quality of education depends upon maintaining and improving cooperative and supportive relationships between the state, the schools and postsecondary educational institutions, businesses, and the surrounding community in regions throughout Missouri.

Unfortunately, the Roundtable's deliberations occurred during a period when Missouri's revenue was insufficient to meet all of the state's needs, including those in education. The members recognize the constraints imposed by current and future revenue trends but the Roundtable also recognizes that education is a fundamental foundation for building an educated workforce and a prosperous state. The Roundtable understands the current financial condition of state government but believes that the recommendations are important and should be funded even in these difficult times because Missouri's competitiveness in the future is dependent upon its investment in education today.

Foreword

In the beginning years of the 21st century, Missourians have been confronted with unprecedented change as the state's economy is impacted by the rapidly evolving global economy. The full implications of these changes are not evident but it is apparent that the workforce of this century must be more adaptable than the workforce of the past century. Education is the means by which we can provide children and young adults with the knowledge and skills required to adjust to a rapidly changing workplace.

The state actually pays a high, although indirect, cost for an inadequate education. Missouri spends substantial resources providing services to adults who have fallen through the educational system. For example, reduced opportunities contribute to the increased use of public services, including Medicaid. Similarly, an important component of 1996 federal Personal Responsibility Work Opportunity Reconciliation Act (the Welfare Reform Act) is providing workforce readiness skills for recipients of public assistance. An inadequate or incomplete education does not cause criminal behavior but there is evidence that education is inversely related to criminal activity. Reports from the Missouri Department of Corrections, and studies from other states, indicate that the recidivism rate is lower for former inmates if they obtain a high school diploma while incarcerated.³

Fortunately, we have the substantial ability to affect the quality and content of the education for those who will comprise Missouri's future workforce. In fact, with the exception of pre-kindergarten education, the components are in place to prepare children and young adults for the emerging demands of the workplace. The challenge ahead is to continuously improve the preparation of students for the opportunities that await them and meeting this challenge requires that parents, educators, policymakers, and the business community play an active role as supportive partners. The members of the Roundtable believe that this report will be an important catalyst in cementing the partnerships necessary to provide the best possible education to the children and young adults of the state.

³ Missouri Department of Corrections Strategic Plan, FY 2004, pp 23-25. Stephen Steurer and Linda Smith. Education Reduces Crime: Three State Recidivism Study.

TEACHERS AS PROFESSIONALS

Objective 1: Develop a more proactive teacher recruitment strategy and strengthen teacher retention policies

We need a culture that promotes the idea that the best teachers should be with the neediest students. In business, they always put their best people on the most challenging cases.⁴

Recommendation 1: The Department of Elementary and Secondary Education shall establish a centrally located, statewide teacher recruitment and retention center to meet the needs of rural, suburban and urban school districts. The center should operate an online clearinghouse, in conjunction with the Department's current on-line listing of jobs, to facilitate local connections for school districts, prospective teachers, and the business community.

Recommendation 2: The Department of Elementary and Secondary Education and the Department of Higher Education shall develop recruitment strategies for filling vacancies in all schools, especially hard-to-staff schools, in cooperation with organizations representing teachers, as well as community leaders and teachers and administrators from potentially affected districts. The State Board of Education and the Coordinating Board for Higher Education shall identify such statutory changes as may be required to improve Missouri's recruitment and retention strategies, especially for teachers in hard-to-staff schools. A report containing recommendations for any statutory change shall be presented by the State Board of Education and the Coordinating Board for Higher Education to the Governor by December 2004.

Recommendation 3: The Department of Elementary and Secondary Education and the Department of Higher Education shall work with its partners and with representatives of the business community in hard-to-staff schools to devise retention incentives, such as support for National Board Certification and enhanced pay for excellent performance for teachers in those schools.

Recommendation 4: Larger step increases should be instituted in the salary scale of K-12 teachers during their earlier employment years. In addition there should be a reduction, to 10 or fewer in the number of years required to advance to the top of the K-12 teacher salary scale.

Recommendation 5: Scholarships and loan forgiveness programs should be designed for college/university students willing to commit to teaching in a school defined as hard-to-staff. In

⁴ "Poorest Kids Often Wind Up with the Weakest Teachers." *Chicago Sun-Times*, September 7, 2001 as cited in Missouri K – 16 Task Force on Achievement Gap Elimination.

addition, programs should be designed to pay for some or all of the costs of tuition for teachers in hard-to-staff schools who choose to address their deficiencies through formal education and training programs. Funding for these educational opportunities should be sought from business partnerships and community organizations as well as the state.

Teacher recruitment and retention is a challenge and recent data on the teaching profession indicates declining trends in the number of individuals entering the field. The proportion of male teachers declined from 24 percent in 1991 to 21.7 percent in 2001. The number of African American teachers declined from 8.3 percent in 1991 to 7 percent in 2001 while the number of African American students increased from 15.6 percent to 17.4 percent in the same time period.⁵

The proportion of teachers with five or fewer years of experience has increased from 21.6 percent to 30.5 percent between 1991 and 2001. The percentage of teachers who leave the classroom after one to five years of experience continues to rise. In 1991, 27.6 percent of teachers left after one to five years in the classroom while in 2001 the percentage increased to 33.8 percent.⁶ These changes in recruitment and retention rates place a burden on local school districts, especially in hard-to-staff schools. Statewide approaches that assist school districts in the recruitment and retention of teachers will help to reverse these trends.

There are many statewide approaches available to increase the retention levels of teachers in Missouri, including creating a career path, such as a master teacher program that keeps experienced teachers focused on their teaching career rather than seeking an administrative position or from leaving the field entirely. Younger teachers could be encouraged to stay by changing the salary schedule to provide larger step increases in the earlier years of employment and a reduction, to 10 or fewer, in the number of years required to advance to the top of the scale may help increase teacher retention. Other areas to examine include accountability methods and incentives for quality teaching, continuing education, enhanced opportunities for professional development, mentoring and other teacher support systems, and leadership training for school administrators.

Hard-to-staff schools require strong and consistent recruitment and retention strategies. A hard to staff school is defined as one with:

- More than 50 percent free and reduced lunch;
- More than 50 percent of the students performing at or below grade level;
- At least a 15 percent teacher annual turnover rate; and
- 25 percent of teachers defined as under-qualified due to provisional accreditation, teaching out of an accredited field or having a probationary certification status.⁷

⁵ Missouri Department of Elementary and Secondary Education, Division of Teacher Quality and Urban Education. "Report to the General Assembly." December, 2001.

⁶ Missouri Department of Elementary and Secondary Education, Division of Teacher Quality and Urban Education. "Report to the General Assembly." December, 2001.

⁷ Bridget Curran. National Governors Association, Center for Best Practices. Presentation to the Missouri Business Roundtable. January 24, 2003.

Hard-to-staff schools face issues that make it difficult for the schools to recruit and train quality teachers. The Department of Elementary and Secondary Education and the Department of Higher Education should assess incentives for teachers, develop peer and mentor systems that could be used in such districts, and recommend any statutory changes, budget initiatives, and district level changes in policies and procedures that will improve the quality of education in these hard-to-staff schools.

The recruitment and retention center should work in partnership with the business community to identify and, when possible, help meet the needs of local school districts, especially but not exclusively in hard-to-staff schools. The recruitment and retention center should work through regional professional development centers to provide research and coordination on the status of teaching in Missouri and provide this information to the general public through multiple dissemination methods including the Internet. The center should perform exit surveys for those leaving the profession; provide information on professional development opportunities and issues such as working conditions, pay, benefits and other topics of related interest; share best practice methods; and provide a central application process for those wishing to teach in a Missouri school.

Objective 2: Improve teacher preparedness

Teachers whose opportunities to learn were grounded in specific curricula and assessments reported more of the sorts of practices that reformers had proposed than teachers whose opportunities to learn were not so grounded.⁸

Recommendation 6: To the maximum extent practical, all teachers shall have subject matter training (a major or minor in the field) and grade-level pedagogy for the subjects taught by the school year 2005-2006.

Recommendation 7: By December 2003, the Department of Elementary and Secondary Education and the Department of Higher Education in collaboration with Missouri colleges and universities will develop a plan to align teacher preparation curriculum and certification with the show-me standards and the Missouri Assessment Program objectives. The Coordinating Board for Higher Education and the State Board of Education should meet immediately to determine best ways to implement the intent of this recommendation. The plan should include a schedule with target dates for the presentation of alignment evidence. Strategies for addressing situations in which alignment is not evident should also be developed.

Recommendation 8: A joint report containing the recommendations of the Department of Elementary and Secondary Education and the Department of Higher Education for budget enhancements and/or for statutory changes to teacher preparedness shall be submitted to the Governor by October 2004 and December 2004, respectively.

⁸David K. Cohen and Heather C. Hill. Learning Policy: When State Education Reform Work. New Haven. Yale University Press. 2001. P 5.

Research shows us that teachers have a greater impact on student achievement than any other educational factor. Ensuring that teachers receive the appropriate training for our hard-to-staff schools is imperative to their success. The federal No Child Left Behind (NCLB) act (PL 107-110) requires that by 2005-2006 all teachers be “highly qualified”, meaning the teacher must have a bachelors degree and be teaching in their field of certification. The Missouri School Improvement Program (MSIP) requires that 95 percent of teachers are teaching in their field of certification. Missouri as a whole meets that standard; however, schools in the northwest and southeast portions of the state continue to have the largest percentage of non-certified teachers.

Missouri is committed to increasing the number of certified teachers by funding professional development for teachers. The amount of state money dedicated to professional development for teachers has increased from \$6 million in 1994 to \$13 million in 1998. Missouri also provided money (\$2.1 million in 1999-2000, for example) for nine Regional Professional Development Centers (RPDC) housed at state colleges and universities around the state. These RPDCs offer professional development services to schools within their region, sponsor the *Select Teachers as Regional Resources* program and facilitate school improvement initiatives. In addition, the federal NCLB act provides federal funds for the professional development of teachers and for allowing teachers to obtain training in their teaching field.

Despite the assistance for professional development at the state and federal level, more can be done to bring all of Missouri’s teachers into compliance with existing state standards and new federal standards. Areas to be examined include alternative routes to certification, methods to provide better preparation for graduates of education programs, methods to expand partnerships between colleges of arts and sciences and colleges of education to align teacher preparation and certification with the Show-Me Standards and Missouri Assessment Program objectives, expanded internship programs, development of a “fellows” Masters program, the use of hybrid” assistance programs in conjunction with business partnerships, and such other changes that the departments and their partners believe will improve the contribution of new teachers to the education of their students. One proven way that business organizations can support professional development activities for teachers is by providing volunteer substitute teachers from their own organizations. By providing these no-cost substitute teachers, schools can lower the expense associated with teacher absences and businesses can develop a deeper appreciation of the teaching profession.

When it is not possible to have classes taught by a teacher with appropriate subject matter training, the employing school district should provide tuition reimbursement for any additional education required to obtain appropriate subject matter education. Coursework to obtain the additional education should be successfully completed within one year of placement and should not take more than eighteen months to obtain.

Objective 3: Reinforce the image of teaching as a profession

The image of teaching as a 'namby-pamby,' 'goody-two-shoes,' part-time, female job with 'summers off with the kids' still lingers even as the actual requirements for the profession demand highly competent, computer-skilled, multilingual, dynamic individuals who can handle kids from every walk of life.⁹

Recommendation 9: The Department of Elementary and Secondary Education and the Department of Higher Education shall develop a multi-year public awareness campaign to demonstrate the value of the teaching profession among potential teachers and the community at large and this program shall be inaugurated by July 1, 2004.

According to a 2002 poll, 55 percent of Americans believed that schools have gotten off on the wrong track and only 23 percent would give public education nationally an “A” or “B”.¹⁰ The image of teachers as professionals is tied to how Americans view public education. Working cooperatively, educators, school and postsecondary administrators, and business and community leaders could demonstrate the worth and also the values of the teaching profession for prospective teachers and the public alike. This multi-year effort should draw upon the expertise of the School of Journalism at the University of Missouri and advertising agencies and should utilize community/business partnerships to coordinate a consistent, coherent message at low direct cost.

⁹ Gordon, June A. *The Color of Teaching*. Routledge/Falmer Press as quoted in “Why Aren't There More Minority Teachers?” National Education Association. http://www.nea.org/nea_today/0203/resource.html accessed June 24, 2003.

¹⁰ Linda Voke. “Engaging the Public in Its Schools. Association for Supervision and Curriculum Development. “Issue Brief No 30. July 2002. Page 7.

IMPROVING THE SCHOOL ENVIRONMENT

Objective 4: Provide preschool children with age appropriate development activity to enable them to enter kindergarten prepared to learn

The most recent National Household Education Survey reports that 61percent of children under age 4 regularly attend early childhood program..... In studies of quality, six out of seven early childhood programs are rated as being of mediocre or poor quality.¹¹

Recommendation 10: The State Board of Education shall propose revisions in state law as are necessary to ensure the adequacy and quality of early childhood education programs for children from birth to age five, including assessment and accreditation of those programs. The Department of Elementary and Secondary Education shall cooperate with representatives of schools, colleges and universities, the Department of Social Services, and interested citizens in developing such recommendations and shall have a draft proposal prepared for review by the Board by December 2003.

Recommendation 11: The Department of Elementary and Secondary Education shall obtain or prepare materials about the value of early childhood education and distribute those materials to schools, colleges and universities, non-profit organizations, and other groups and entities interested in early childhood issues. These materials shall be distributed by summer 2004, and periodically thereafter.

Recommendation 12: The Department of Elementary and Secondary Education shall submit a plan to the State Board of Education to expand the Parents as Teachers Program using state, local, and private funds, by fiscal year 2005-2006. The plan shall include incentives for districts with a large proportion of high need families as well as those districts that are serving less than the statewide average of high need families.

One of the most important ways to positively influence the school environment is to ensure that children arrive at school prepared to learn and additional preparation is particularly beneficial for children from at-risk families. All children can gain from early childhood programs but children from at-risk families, especially, can gain from early childhood education. Early childhood programs help prepare children for school but also lay a foundation that prepares them for life.¹² Top quality pre-kindergarten programs and parental involvement in the education of children are central to the preparation of children for school. Missouri can build

¹¹ Improving Early Education in Missouri: A Workforce Incentive Project. Center for Family Policy and Research. Issue Brief. University of Missouri – Columbia. <http://mucenter.missouri.edu> accessed June 2003.

upon the existing early childhood programs authorized in HB 1519 (1998) to ensure that quality programs are provided to pre-schoolers.¹³

In Missouri, roughly 75 percent of children enter kindergarten with at least average school readiness skills.¹⁴ Missouri's children who attend school in high poverty areas score lower on average than children elsewhere but still score close to the national preparedness standard. Missouri's Parents As Teachers Program was implemented following the passage of the Early Childhood Development Act of 1984 (Sections 178.691-178.699, RSMo) as one means of improving the preparation of children for school. It initially provided services for parents of children up to age 3. Since the 1987-1988 school year, services are provided to parents and their children up to the age 5. In recent years, the program has provided services to approximately 150,000 Missouri families annually at a cost of approximately \$30M. The Parents as Teachers Program provides services to more than 40 percent of families classified as high need by the Department of Elementary and Secondary Education and high need families constitute approximately 25 percent of all families served by Missouri schools. The program is widely regarded as a success because it reduces remedial education costs, improves performance, and increases parental involvement.

In 1998, the General Assembly enacted provisions in HBs 1519 & 1165 that provided funds for early childhood programs and mandated a study of the effectiveness of early childhood programs in Missouri. That study is nearing completion and the Roundtable looks forward to the publication of its results.

Objective 5: Engage parents and communities in educational outcomes of children

*Acting alone, educators cannot achieve the ideal upon which our nation's schools are founded.... It is not sufficient to hold educators accountable for student learning and reward or punish them based upon the results they produce.*¹⁵

Recommendation 13: The Department of Elementary and Secondary Education shall identify and publicize programs designed to improve the attendance rate of children with excessive absences and assist children who move from school to school during the academic year.

¹³ The Effects of HB 1519 Funding on Early Childhood Programs. Center for Family Policy and Research. Policy Brief, University of Missouri – Columbia. <http://mucenter.missouri.edu> accessed, June 2003. See also, Anne Mitchell, Heather Weiss and Tom Schultz, “Evaluating Education Reform: Early Childhood Education. Missouri Department of Elementary and Secondary Education, website, <http://www.dese.state.mo.us>, accessed in April 2003.

¹⁴ Report on Results of the 2002-2003 School Entry Assessment Program. Missouri Department of Secondary Education.

¹⁵ Linda Voke. “Engaging the Public in Its Schools.” Association for Supervision and Curriculum Development. Issue Brief No. 30. July 2002. Page 7.

Recommendation 14: The Department of Elementary and Secondary Education shall obtain or develop and test a toolkit that school districts can use to engage parents by July 2004.

Recommendation 15: The Roundtable encourages the Governor to support and the General Assembly to adopt legislation that encourages parental involvement in public education.

Recommendation 16: The Department of Elementary and Secondary Education shall examine options that will encourage children to remain in school, including but not limited to, incentives for children and their parents, alternative learning opportunities, and advanced placement.

Common sense, supported by years of research, indicates that parental involvement in school and school related activities is critical for the academic success of children. The recognition of the importance of parental involvement was one of the factors that led to the creation of the Parents as Teachers Program for young children. Efforts to increase parental involvement with the school and with the child will pay dividends in terms of reduced absenteeism, improved performance, and fewer dropouts. These efforts can lead to improved lives for children and parents, and will contribute to the vitality of both schools and society.

Schools can take steps to ensure that they are open to parental involvement and perceived as such by adopting policies that explicitly recognize the importance of two-way communication with parents as full partners in the education of their children. Schools can also help parents identify community resources that can help them provide support and assistance to their children. A model policy, adopted by the State Board of Education, could support school efforts to increase parental involvement.

In some Missouri school districts, there are significant numbers of students who move from school to school, both within and out of the district, during the course of a single school year. The sending district must provide information about such children to the receiving district upon request, however, if there is no request from a receiving district, the sending district does not have any further obligation to the child. Some of these children are not entering a new school or are entering after a delayed absence from school. These children could be brought back into the educational system more quickly if the sending district were required to notify the Department of Social Services if the child's record has not been requested by the receiving district within thirty days.

Currently, the Missouri graduation rate is 82.5 percent. A small number of those who drop out of school do so out of boredom as much as anything else. Utilizing efforts to identify and channel those students, through advanced placement, vocational education, and other strategies could enable them to finish high school and enter college. Other students have attitudes, behaviors, and learning styles that are not well suited for the typical high school but many of those students can graduate if provided alternative learning environments.

An incomplete education imposes a very real, lifetime financial burden on individuals. The higher the level of educational attainment, the better each individual's earning potential; a relationship as important as it is obvious. Without a quality education, career choices are limited, unemployment is more likely, and earning capacity is significantly reduced. On average,

earnings of a high school dropout will be 20 percent less than the earnings of a high school graduate over their lifetimes. A recent national study reported that on average a person with an associate's degree or a bachelor's degree would earn 60 percent and 110 percent, respectively, more than a person who did not finish high school. This earnings gap has increased in the last 30 years and there is every reason to expect the gap to continue to widen in the future.¹⁶

Objective 6: Develop business and community education partnerships

*A successful business education partnership will bring businesses and their employees into the schools and draw students into the community.*¹⁷

Recommendation 17: The Department of Elementary and Secondary Education shall facilitate business education partnerships by creating a page on its website where school districts can post needs that could be met by the business community.

Recommendation 18: The Roundtable recommends that the Governor establish an annual business education summit to provide a forum where business leaders can provide feedback to representatives of elementary and secondary education as well as higher education about workforce preparedness issues. Further, we recommend that the Governor appoint an executive committee of business leaders to work with the business community and the Department of Elementary and Secondary Education to ensure that issues critical to both the education and the business community are addressed at the summit.

Recommendation 19: The Department of Elementary and Secondary Education in cooperation with the Department of Higher Education shall obtain or develop by July 2004 a best practices toolkit and training program, to enable school districts to engage potential business and community partners and to enable them to recognize the contributions of those partners. The toolkit shall include innovative programs and ideas designed to help all districts establish and foster business and community partnerships.

Recommendation 20: The state of Missouri and Missouri political subdivisions are encouraged to provide a means by which bidders may indicate on bid documents their level of involvement in business education partnerships to raise awareness within the business community about opportunities for supporting public education.

Recommendation 21: The Department of Elementary and Secondary Education and the Department of Economic Development shall assess the extent to which tax incentives might encourage business to participate in partnerships with local school districts. The State Board of Education shall recommend by December 2003 to the Governor such statutory changes as may be necessary to provide those incentives.

¹⁶ Facts in Brief. July 2002. Higher Education and National Affairs. hena@ace.nche.edu.

¹⁷ Jolene Schultz. Columbia Public Schools. Presentation to the Business Education Roundtable. July 18, 2002.

Recommendations one through five are designed to strengthen the connections between schools and the community and to enable the business community to assist and support local schools. Businesses in each of the state's 524 school districts have the ability to provide support for schools in their community and these recommendations should encourage a stronger partnership; one in which it is easier for businesses to donate material resources, to participate in complementary programs, to assist with after-school programs, to provide volunteer labor, and to otherwise further educational objectives.

The rapid pace of change in the 21st century increases the importance of the quality and character of education available to students for the business community. Today's business leaders know that they have a vital stake in public education for they employ the graduates of Missouri's high schools and colleges. They know that the success of public education in preparing students is critical to the success of tomorrow's businesses. Members of the business community can offer much to education. Businesses are aware of how society is changing, the new demands that are being placed upon the workforce, and the implications of inadequate preparation for the future. Business involvement can provide feedback to the educational community about successes as well as information about the knowledge and skills that business leaders expect new employees to bring to the job.

Objective 7: Continuous improvement in school performance

*Adopting standards-based curriculum, instruction and assessment measures requires deep changes in teaching that experience and research suggest only occur over extended periods of time and with intensive support.*¹⁸

Recommendation 22: The Roundtable recommends the State Board of Education and the Coordinating Board for Higher Education adopt quality criteria as their management model and encourage this model be adopted by individual schools, colleges, and universities. The State Board and the Coordinating Board should determine which laws or regulations are impediments to the quality criteria and develop legislative and other strategies to eliminate them.

Recommendation 23: The Roundtable recommends the implementation and funding of evaluative measures to insure that education prepares students to meet the demands of the 21st century for a highly skilled and knowledgeable workforce.

The rapid pace of economic, technical, and cultural change now occurring in the United States is demanding much of public education and schools across Missouri are responding to the implications of that change. As recently recognized by the Coordinating Board for Higher Education, an effective response requires a continuous reexamination and revision of teaching methods, linkages to parents and the community, as well as monitoring and adapting to

¹⁸ Tom Corcoran and Jolly B. Christman. The Limits and Contradictions of Systemic Reform: The Philadelphia Story. Consortium for Policy Research in Education. 2002. p 23.

community and societal changes that affect the ability of children to succeed as students in the larger community as adults.

Assessment is critical to any systematic evaluation of statewide school performance. Organizations in the United States have over fifteen years experience with programs designed to provide on-going organizational assessment and continuous improvement. These programs have been used in both the private and public sectors and have been used by the state of Missouri since 1994 when Governor Mel Carnahan created the Commission on Management and Productivity to assess the efficiency of state government. The Baldrige Education Criteria, developed by the Baldrige National Quality program of the United States Department of Commerce, is the industry standard for excellence, and is one tool that could be used by the state and school districts to assess, improve, and monitor performance.¹⁹

Assessment is also vital at the individual school level. The current Missouri School Improvement Program (MSIP) provides feedback to schools on several performance levels. The Missouri Achievement Program (MAP) is intended to produce long-term assessments by providing periodic, systematic assessment of student performance as they progress through their education. Funding for MAP testing has been reduced due to budget exigencies, although funds for math and communication arts testing were preserved. This reduction prevents the collection of valuable data that could otherwise be used to track student and school performance over time.

¹⁹ See http://www.quality.nist.gov/Education_Criteria.htm, the Baldrige National Quality Program for more information.

FUNDING ISSUES IN EDUCATION

Objective 8: Improve funding for Missouri education at all levels

Missouri is like many other states in both pursuing a standards-based approach to allocate the lion's share of state aid for public schools One problem with this approach is that most states and the federal government do not know whether school districts have sufficient resources for them to fulfill state/federal expectations.²⁰

Recommendation 24: The Roundtable recommends that the joint interim committee authorized by Senate Concurrent Resolution 16 (2003) develop an equitable and adequate foundation formula with a funding mechanism for presentation to the General Assembly in January 2004.

Recommendation 25: Article VI, Section 26(b) of the Missouri Constitution should be amended to require simple majority approval of operational levy increases for elections held on the general municipal election day or the state primary or general election day. Article X, Section 11(c) of the Missouri Constitution should be amended to permit school tax levies to be increased by a majority vote even when the total levy exceeds six dollars per hundred of assessed valuation.

Recommendation 26: The Roundtable recommends that the State Board of Education assemble a taskforce composed of educators, public officials, representatives of the business community, and specialists in early childhood development to assess the need for and opportunities presented by public funding of pre-kindergarten educational programs. The taskforce shall submit its report and recommendations to the Board and the Governor by December 31, 2006.

Recommendation 27: The Roundtable recommends that the Coordinating Board for Higher Education review funding for public higher education to assess how recent funding decreases and tuition increases have affected access to education and to identify how the state can ensure continued access to higher education.

Recommendation 28: The Department of Higher Education, in cooperation with the Governor's Commission on the Future of Higher Education, shall review Missouri's record for providing needs-based assistance in comparison to that provided in other states, and recommend funding and program changes as may be required.

²⁰ Augenblick and Myers. Calculation of the Cost of an Adequate Education in Missouri Using the Professional Judgement and the Successful School District Approach. Prepared for the Missouri Education Coalition for Adequacy. February 2003.

Missouri does not have a coherent system of funding for education from early childhood through college. Rather funding and funding expectations, have evolved piecemeal over time for the various levels of education. The public has long expected to fund primary education and funding was extended to secondary education when the need for that became clear. Until recently, there was little thought given to pre-kindergarten education. Today there is an emphasis on ensuring that children enter kindergarten with a foundation that prepares them to learn; however, pre-kindergarten education is almost exclusively funded by the parents of pre-schoolers. The funding of public higher education has been a responsibility shared between the public and the students but recent trends in state funding and in corresponding tuition increases are shifting the balance to the students and their parents.

Missouri moved forward in its support for elementary and secondary education in the 1990s with additional revenues and a revised and more equitable funding formula, both of which contributed to improvements in educational attainment in districts across the state. As we look to the future, we see that these advances are at risk because of both funding issues and because of changes in the formula that weaken the equity of the distribution of state funds to districts. These developments will occur at a time when federal legislation, No Child Left Behind (PL 107-110), brings new attention to the adequacy of funding for the education of every student.

The state actually pays a high, although indirect, cost for an inadequate education. Missouri spends substantial resources providing services to adults who have fallen through the public educational system. For example, reduced opportunities through lack of education contribute to the increased use of public services, including Medicaid. Similarly, an important component of the 1996 federal Personal Responsibility Work Opportunity Reconciliation Act (the Welfare Reform Act) is providing workforce readiness skills for recipients of public assistance. An inadequate or incomplete education does not cause criminal behavior but there is evidence that education is inversely related to criminal activity. Reports from the Missouri Department of Corrections, and studies from other states, indicate that the recidivism rate is lower for former inmates if they obtain a high school diploma while incarcerated.²¹

Furthermore, for Missouri as a whole, the more educated the workforce, the better positioned the state is to develop its economy. It is essential that more Missourians achieve higher educational attainment levels if the state is to be competitive in the 21st century.

According recent data:

- ❖ The number of Missouri manufacturing jobs decreased by almost 15 percent between April 1998 and November 2002.²²
- ❖ Two-thirds of all jobs created in Missouri by 2006 will require training beyond high school.²³

²¹ Missouri Department of Corrections Strategic Plan, FY 2004, pp 23-25. Stephen Steurer and Linda Smith. Education Reduces Crime: Three State Recidivism Study.

²² Northeast Midwest Institute. "Regional Patterns for Recent manufacturing Job Losses". <http://www.nemw.org/MfgEmpChange.pdf>. Accessed May 2003.

- ❖ In 2001, 47 percent of Missouri’s large employers reported that skilled workers were scarce.
- ❖ Over half of the rapidly expanding occupational fields require an Associate of Arts degree or higher.²⁴ According to the 2000 census, 18.7 percent of Missourians lack a high school degree.²⁵

Missouri must make every effort to ensure an adequate and equitable funding system for children and young adults from primary school through college that will provide an efficient and effective method for students to acquire, at each level, the knowledge and skills required to succeed at the next level. In order to obtain and maintain an adequate funding stream for public education, Missouri’s educational system must provide for maximum accountability through measures of effectiveness, allowing for continuous feedback to employees, students, schools, parents, and policy-makers. The ability to fund education and the proportion of support provided by state governments and school districts, respectively, are important factors that should be considered when the foundation formula is evaluated by the General Assembly.

Recent Missouri data provide the following profile of Missouri’s support for public schools:

Average per pupil spending	\$6,991
Proportion of funding provided by state (including Proposition C revenues)	51 percent
Average tax levy	\$3.62
National rank in per capita personal income ²⁶	28 th
National rank in per pupil spending ²⁷	36 th

The State of Missouri has two major responsibilities in public education. The first is providing financial support for education. Missouri does this largely through the foundation formula. That formula was revised in 1977 and again with Senate Bill 380 enacted in 1993 to fund education and revise the foundation formula to improve equity among districts.²⁸ Data show that equity was improved through SB 380 but it still remains an issue and has become more important in recent years. One reason for the continued concern about the equity of funding for

²³ Office of Social and Economic Data Analysis. University of Missouri – Columbia. “Percent of Persons 25 Years or Older Without High School Diploma, 2000, for all US States.” http://www.oseda.missouri.edu/tables/education/usst_pctnohstdiploma_2000.html.

²⁴ Marty Romitti, Ph.D. Presentation to the Governor’s Business Education Roundtable, September 27, 2003.

²⁵ Office of Social and Economic Data Analysis. University of Missouri – Columbia. “Percent of Persons 25 Years or Older without High School Diploma, 2002 for all US States.” http://www.oseda.missouri.edu/mo_nation/college_grads_1990_2000.html. Accessed June 2003.

²⁶ U. S. Census Bureau, Statistical Abstract of the United States, No. 643, 2002.

²⁷ Missouri Department of Elementary and Secondary Education. <http://www.dese.state.mo.us/schooldata>. Data for the 2001-2002 school year.

²⁸ Impact of the Outstanding Schools Act Foundation Formula: An Equity Analysis. Missouri Department of Elementary and Secondary Education. December 1999.

education in Missouri is the growing number of “hold harmless” school districts. The number of “hold harmless” school districts increased from nine in 1993 to forty-eight in 2003 and there is the potential for another ten districts to be added to this number in 2004.²⁹ Senate Bill 380 also increased revenues for Missouri public education. For fiscal years 1994-2004, this act provided cumulatively more than \$3.9 billion in increased funding, which equates to a little more than \$350 million per year, thereby ensuring that the formula was fully funded for fiscal years 1995-1996 through 2001-2002.

The second state responsibility involves setting the standards which school districts and their students are expected to meet. Until the 1980s, Missouri, like most states, provided financial assistance for public education but largely left the setting of educational goals and standards to local school districts. Today, however, the state is extensively involved in district, school, and pupil performance issues. This involvement was enhanced by the requirements of the 1985 Excellence in Education Act and significantly increased by SB 380 – properly named as the Outstanding Schools Act of 1993.³⁰ The passage of No Child Left Behind (PL 107-110) will increase the state’s involvement in district and pupil performance issues due to its emphasis on testing, accountability, and statewide proficiency goals.

The developments regarding state and federal education standards have stimulated discussions about adequate education funding in addition to the equity of that funding. Adequate funding is the amount of funding required to meet federal and state standards, including the proficiency standards established in No Child Left Behind, to be met by the 2013-2014 school year. Groups within Missouri, such as the Missouri Education Coalition for Adequacy, have begun to consider the funding adequacy issues, and as a result, have commissioned research on the subject. The General Assembly has also recognized the urgency of the problem with Senate Concurrent Resolution 16, a resolution adopted in May 2003 to establish a joint interim committee to study the equity and adequacy of education funding, as well as other possible funding sources for education.

Two traditional sources of funds in Missouri are school levies and indebtedness. Until the 1980s, school funding proposals required approval by two-thirds of the electorate. The two-thirds requirement had its roots in Missouri’s rural past, at time when most school districts were geographically small and the population of the district was both low and inbedded in a community that included, and frequently revolved, around the school. Today, districts are much larger, the population of the districts is more heterogeneous, and rural communities, as we knew them in the early twentieth century, no longer exist. These conditions both loosen many voters’ ties to the school and make it more difficult for school officials to communicate with the voters.

Nationally, there is growing concern about the high cost of obtaining a college education as well as the change in student financial aid from needs-based grants to loans and merit-based programs. The net effect of these changes is to shift more of the cost of education from the public to students and their parents. These concerns were mirrored in Missouri in the Report of

²⁹ Paul Wagner, Senate Appropriations Staff, May 2003.

³⁰ See primarily sections 160.251 through 160.268 and Sections 160.500 through 160.642, RSMo.

the Missouri Commission on the Affordability of Higher Education.³¹ The report, submitted to the Coordinating Board for Higher Education in 1999, highlighted the trends in Missouri. There has been a comparative decline in state support for education, an increase in tuition, and more reliance on loans rather than grants as a means of providing educational assistance. On the latter point, the Commission reported that the ratio of grants to loans was 60/40 in 1981 but 40/60 in 1999. The conclusions of the Commission, based on data from the economically robust 1990s, are even more valid in 2003 as the state enters its fourth financially challenging fiscal year. In fact, even before the most recent increases, Missouri had increased its tuition by an average of 20 percent between the 2001-2002 and the 2002-2003 school years, ranking Missouri second in the nation in the magnitude of the increase.³² This financial squeeze could have serious consequences for students of modest means who wish to further their education; consequences that could have a significant impact on the state's ability to compete in the global economy.

³¹ Report of the Missouri Commission on the Affordability of Higher Education: Toward an Affordable Future. December, 1999. Prepared for the Missouri Coordinating Board for Higher Education.

³² "Percentage Increase in Public Four-Year Tuition and Fees." College Affordability in Jeopardy. National Center for Public Policy and Higher Education. January 2003.